

Administration of Barack H. Obama, 2010

Letter to Congressional Leaders Reporting on the Executive Order Blocking Property of Certain Persons With Respect to North Korea

August 30, 2010

Dear Madam Speaker: (Dear Mr. President:)

Pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (IEEPA), I hereby report that I have issued an Executive Order (the "order") that expands the scope of the national emergency declared in Executive Order 13466 of June 26, 2008, and takes additional steps with respect to that national emergency.

In 2008, the United States terminated the exercise of certain authorities under the Trading With the Enemy Act (TWEA) with respect to North Korea, and also declared a national emergency pursuant to IEEPA to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States posed by the existence and risk of the proliferation of weapons-usable fissile material on the Korean Peninsula. Executive Order 13466 continued certain restrictions on North Korea and North Korean nationals that had been in place under TWEA.

I have determined that the Government of North Korea's continued provocative actions, such as its unprovoked attack on and sinking of the Republic of Korea Navy ship *Cheonan* in March 2010, which resulted in the deaths of 46 sailors; its announced test of a nuclear device and missile launches in 2009; its violations of United Nations Security Council Resolution (UNSCR) 1718 of October 14, 2006, and UNSCR 1874 of June 12, 2009, including the procurement of luxury goods; and the illicit and deceptive economic activities through which it obtains financial and other support, including money laundering, the counterfeiting of goods and currency, bulk cash smuggling, and narcotics trafficking, destabilize the Korean peninsula and imperil U.S. Armed Forces, allies, and trading partners in the region, and warrant the imposition of additional sanctions.

The United Nations Security Council, in Resolutions 1718 and 1874, requires Member States to take certain measures to prevent, among other activities, the transfer of most arms and related materiel to or from North Korea and the transfer of luxury goods to North Korea. The United States has implemented those two UNSCRs, and the order strengthens that implementation.

The order is not targeted at the people of North Korea, nor at those who provide legitimate humanitarian relief to those people, but rather is aimed at specific activities of the Government of North Korea and others undertaken in defiance of UNSCRs 1718 and 1874. The order targets the international network that supports the Government of North Korea through arms sales and illicit economic activities, including money laundering, the counterfeiting of goods and currency, bulk cash smuggling, and narcotics trafficking.

The order leaves in place all existing sanctions imposed under Executive Order 13466, and blocks the property and interests in property of persons listed in the Annex to the order. The order also provides criteria for designations of persons determined by the Secretary of the Treasury, in consultation with the Secretary of State:

- to have, directly or indirectly, imported, exported, or reexported to, into, or from North Korea any arms or related materiel;
- to have, directly or indirectly, provided training, advice, or other services or assistance, or engaged in financial transactions, related to the manufacture, maintenance, or use of any arms or related materiel to be imported, exported, or reexported to, into, or from North Korea, or following their importation, exportation, or reexportation to, into, or from North Korea;
- to have, directly or indirectly, imported, exported, or reexported luxury goods to or into North Korea;
- to have, directly or indirectly, engaged in money laundering, the counterfeiting of goods or currency, bulk cash smuggling, narcotics trafficking, or other illicit economic activity that involves or supports the Government of North Korea or any senior official thereof;
- to have materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, the activities described in sections 1(a)(ii)(A)–(D) of the order or any person whose property and interests in property are blocked pursuant to the order;
- to be owned or controlled by, or to have acted or purported to act for or on behalf of, directly or indirectly, any person whose property and interests in property are blocked pursuant to the order; or
- to have attempted to engage in any of the activities described in sections 1(a)(ii)(A)–(F) of the order.

I have delegated to the Secretary of the Treasury the authority, in consultation with the Secretary of State, to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to the President by IEEPA and the United Nations Participation Act, as may be necessary to carry out the purposes of the order. I have also delegated to the Secretary of the Treasury, in consultation with the Secretary of State, the authority to determine that circumstances no longer warrant the blocking of the property and interests in property of a person listed in the Annex to the order, and to take necessary action to give effect to that determination.

The order was effective at 12:01 p.m., eastern daylight time on August 30, 2010. All executive agencies of the United States Government are directed to take all appropriate measures within their authority to carry out the provisions of the order.

I am enclosing a copy of the Executive Order I have issued.

BARACK OBAMA

NOTE: Identical letters were sent to Nancy Pelosi, Speaker of the House of Representatives, and Joe Biden, President of the Senate.

Categories: Communications to Congress : North Korea, Executive order blocking property of certain persons, letter reporting on.

Subjects: North Korea : Blocking property of certain persons.

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